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11 Jack Danayan

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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

HELPING HANDS WELLNESS CENTER,
INC., a Nevada corporation,

Plaintiff,

v.

LUSINE DANAYAN, an individual; JACK
DANAYAN, an individual,

Defendants.

CASE NO.:

Eighth Judicial District Court of the State of
Nevada in and for the County of Clark

State Court Case No.: A-19-794924-B
State Court Dept. No.: XI

**DEFENDANTS' PETITION FOR
REMOVAL**

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DEFENDANTS' PETITION FOR REMOVAL

TO: THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

PLEASE TAKE NOTICE that pursuant to 28 U.S.C. §§ 1332, 1441 and 1446, Defendants LUSINE DANAYAN and JACK DANAYAN ("DEFENDANTS"), by and through their attorneys of record, WOOD SMITH HENNING & BERMAN, LLP, hereby remove the above-captioned action from the Eighth Judicial District Court of Clark County, Nevada to the United States District Court for the District of Nevada. Removal is warranted under 28 U.S.C. §§ 1332 (a)(1) because this is a civil action between citizens of different states and the amount in controversy exceeds the sum or value of \$75,000.00 exclusive of interest and costs.

1. On May 16, 2019, Plaintiff HELPING HANDS WELLNESS CENTER, INC., filed an action (Complaint) entitled *Helping Hands Wellness Center, Inc. v. Lusine Danayan, et al.* in the Eighth Judicial District Court of Clark County, Nevada, in case number A-19-794924-B, assigned to Department XI. Defendants Lusine Danayan and Jack Danayan were served with a copy of the Summons and Complaint on May 23, 2019. A true and correct copy of the Summons and Complaint in this action is attached hereto, as **Exhibit "A."**

2. No proceedings have been had in the state court action.

3. As more fully set forth below, this case is properly removed to this Court pursuant to 28 U.S.C. §§ 1332 (a)(1) because this is a civil action between the citizens of different states and the amount in controversy exceeds the sum or value of \$75,000.00 exclusive of interest and costs.

I. DEFENDANTS HAVE SATISFIED THE PROCEDURAL REQUIREMENTS FOR REMOVAL

4. Defendants Lusine Danayan and Jack Danayan was served with a copy of the Summons and Complaint on May 23, 2019.

5. The Eighth Judicial District Court of Clark County, Nevada is located within the United States District Court for the District of Nevada. Thus, venue is proper in this Court and under 28 U.S.C. § 108 because it is the "district and division embracing the place where such action is pending." *See U.S.C. § 1441(a).*

6. No previous request has been made for the relief requested herein.

1 7. Pursuant to 28 U.S.C. § 1446(a), a copy of all process, pleadings, and orders served
 2 upon DEFENDANTS, which papers include the Summons and Complaint, are attached hereto, as
 3 **Exhibit "A"**. Pursuant to 28 U.S.C. § 1446(d), a copy of this Petition For Removal is being served
 4 on counsel for Plaintiff and a copy is being filed with the Clerk of the Eighth Judicial District Court of
 5 Clark County, Nevada.

6 **II. REMOVAL IS PROPER BECAUSE THIS COURT HAS SUBJECT MATTER
 7 JURISDICTION UNDER 28 U.S.C. §§ 1332 AND 1441**

8 8. This Court has subject matter jurisdiction under 28 U.S.C. § 1332(a)(1) because this is
 9 a civil action between Plaintiff, a Nevada corporation, and Defendants, Lusine Danayan and Jack
 10 Danayan, citizens of the state of California, and the amount in controversy exceeds the sum or value
 11 of \$75,000.000, exclusive of interests and costs.

12 A. ***The Amount In Controversy Requirement Is Satisfied.***

13 9. Plaintiff alleges damages arising from an alleged breach of contract and breach of the
 14 implied covenant of good faith and fair dealing. Plaintiff alleges damages "in excess of \$10,000.00"
 15 as required by Nevada law. Plaintiff also alleges that Defendants demanded an immediate payment of
 16 \$750,000.00 in exchange for executing the settlement documents. Finally, Defendants allege that they
 17 have invested in excess of \$300,000.00 into Plaintiff. As such, the alleged damages are in excess of
 18 \$75,000.00 in total damages.

19 B. ***There Is Complete Diversity Between Plaintiff and Defendants.***

20 10. Upon information and belief, and as alleged in the Complaint, Plaintiff is a Nevada
 21 corporation.

22 11. Defendants, Defendants Lusine Danayan and Jack Danayan, are and were at all times
 23 relevant hereto, citizens of the state of California.

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28 ///

1 WHEREFORE, DEFENDANTS respectfully remove this action from the Eighth Judicial
2 District Court of Clark County, Nevada, in case number A-19-794924-B to this Court pursuant to 28
3 U.S.C. § 1441.

4 May 24, 2019

5 WOOD, SMITH, HENNING & BERMAN LLP
6 Attorneys at Law

7
8 By /s/ Christina M. Mamer

9 JOEL D. ODOU
10 Nevada Bar No. 7468
11 CHRISTINA M. MAMER
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18 Jack Danayan

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CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of May, 2019, a true and correct copy of **DEFENDANTS' PETITION FOR REMOVAL** was served via the United States District Court CM/ECF system on all parties or persons requiring notice.

By /s/ Alex J. Moya

An Employee of

WOOD, SMITH, HENNING & BERMAN LLP

WOOD, SMITH, HENNING & BERMAN LLP
Attorneys at Law
2881 BUSINESS PARK COURT, SUITE 200
LAS VEGAS, NEVADA 89128-9020
TELEPHONE 702 251-4100 • FAX 702 251-5405

Exhibit A

Electronically Issued
5/16/2019 11:25 AM

1 SUMM

2 Jared Kahn, Esq.
3 Nevada Bar # 12603
4 JK Legal & Consulting, LLC
5 9205 West Russell Rd., Suite 240
6 Las Vegas, NV 89148
7 P: (702) 708-2958
8 F: (866) 870-6758

CASE NO: A-19-794924-B

Department 13

6
7 *Attorneys for Helping Hands
Wellness Center, Inc.*

8 **EIGHTH JUDICIAL DISTRICT COURT
9 CLARK COUNTY, NEVADA**

10
11 HELPING HANDS WELLNESS)
12 CENTER, INC., a Nevada corporation,)
13)
14)
15)
16)
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18)
19)

19 Plaintiff,)
19 vs.)
19 LUSINE DANAYAN, an individual;)
19 JACK DANAYAN, an individual.)
19 Defendants.)
19)

CASE NO:
DEPT NO.:

**SUMMONS
(Lusine Danayan)**

20 **SUMMONS**

21 **NOTICE: YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU
22 WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS. READ
23 THE INFORMATION BELOW.**

24 **TO THE ABOVE-NAMED DEFENDANT:** You are hereby summoned and required to
25 serve upon Plaintiff's attorney, whose address is set forth below, an Answer to the
26 Complaint which is herewith served upon you, within 20 days after service of this
27 Summons upon you, exclusive of the day of service. If you fail to do so, judgment by default
28 will be taken against you for the relief demanded in the Complaint.

- 27 1. If you intend to defend this lawsuit, within 20 days after this Summons is served on you,
28 exclusive of the day of service, you must do the following:
 a. File with the Clerk of this Court, whose address is shown below, a formal written

1 response to the Complaint in accordance with the rules of the Court, with the
2 appropriate filing fee.

- 3 b. Serve a copy of your response upon the attorney whose name and address is
4 shown below.
5 2. Unless you respond, your default will be entered upon application of the Plaintiff and
failure to respond will result in a judgment of default against you for the relief demanded
in the Complaint, which could result in the taking of money or property or other relief
requested in the Complaint.
6 3. If you intend to seek the advice of an attorney in this matter, you should do so promptly
so that your response may be filed on time.
7 4. The State of Nevada, its political subdivisions, agencies, officers, employees, board
members, commission members and legislators each have 45 days after service of this
8 Summons within which to file an Answer or other responsive pleading to the Complaint.

9 STEVEN D. GRIERSON
10 Clerk of Court

11 Submitted by:

12 
13 Jared B. Kahn, Nevada Bar #: 12603
14 9205 West Russell Rd., Suite 240
15 Las Vegas, NV 89148
16 Ph: (702) 708-2958
17 Fax: (866) 870-6758
18 Jkahn@jk-leglaconsulting.com
19 Attorneys for Plaintiff

20 By:  5/16/2019
21 Deputy Clerk Courtney Hoskin Date
22 Regional Justice Center
23 200 Lewis Avenue
24 Las Vegas, NV 89155

COMP
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Electronically Filed
5/16/2019 11:25 AM
Steven D. Grilerson
CLERK OF THE COURT

CASE NO: A-19-794924-B
Department 13

*Attorneys for Helping Hands
Wellness Center, Inc.*

**EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA**

CASE NO.:
DEPT NO.:

COMPLAINT FOR:

1. Breach of Contract /Settlement
 2. Breach of Covenant of Good Faith and Fair Dealing

Plaintiff Helping Hands Wellness Center, Inc., by and through its counsel, Jared B. Kahn, Esq., hereby complains and alleges against Defendants Lusine Danayan and Jack Danayan, the following:

I. THE PARTIES, JURISDICTION AND VENUE

25 1. At all material times herein, Plaintiff Helping Hands Wellness Center, Inc.,
26 ("Plaintiff" or "HHWC") was a Nevada corporation lawfully permitted to operate in the State of
27 Nevada.

2. At all material times herein, Defendant Lusine Danayan ("Lusine") was an

1 individual residing in the State of California. At all material times herein, Lusine was a
2 shareholder and officer of HHWC for its Nevada operations.

3 3. At all material times herein, Defendant Jack Danayan ("Jack") was a resident of
4 the State of California. At all material times herein, Jack was an authorized agent acting on
5 behalf of his daughter Lusine for the business matters involving HHWC.
6

7 4. All of the acts alleged to have taken place herein took place in the County of
8 Clark, State of Nevada, where HHWC is located, operates and conducts its business.
9

10 5. Plaintiff is informed and believes and herein alleges that, at all material times
11 herein, each of the Defendants were the agents, servants, directors, managers, or employees of
12 each co-defendants, and in doing the things herein alleged were acting in an agency, managerial
13 or employment capacity within the course and scope of their authority, whose acts and conduct
14 herein alleged were with the permission and consent of each of the co-defendants.
15

16 6. Each of the Defendants' actions and conduct were known to, authorized and
17 ratified by all defendants herein. Plaintiff is informed and believes and herein alleges, that all of
18 the conduct by the individual Defendants, was known to and authorized by all Defendants
herein.
19

II. PERTINENT FACTS AND ALLEGATIONS

A. The HHWC Business and Jack's Express Agency Relationship

20 7. On April 11, 2014, HHWC was formed for the purpose of operating a lawfully
21 licensed medical cannabis establishment for cultivation and production operations in North Las
22 Vegas, pursuant to NRS 453A, 453D, and applicable regulations.
23

24 8. At the time of formation, Lusine, at the direction of Jack, was named Secretary
25 and Director of HHWC.
26

27 9. At the time of formation, Lusine was a shareholder in HHWC.
28

1 10. Jack was expressly authorized to act for and on behalf of Lusine, as her agent,
2 for HHWC decision-making business matters and to negotiate Lusine's business matters on her
3 behalf as they pertained to the HHWC business.

4 11. HHWC permitted Lusine to expressly authorize and designate Jack as her agent
5 to represent her interests and act on her behalf involving HHWC business matters.
6

7 12. From the time of formation, Jack routinely and as expressly authorized acted as
8 Lusine's agent involving the HHWC business matters.

9 13. During the course of HHWC's business operations, the shareholders and officers
10 executed appropriate Shareholder and Officer Consents authorizing Klaris Terteryan ("Klaris"),
11 a shareholder and officer of HHWC, to act on behalf of the company for all of its business
12 matters. The Consent and authorization for Klaris to act on behalf of HHWC ratified prior
13 course of dealings in which Klaris, as an officer of HHWC, took actions for HHWC's best
14 business interests and authorized Klaris to act on behalf of all future HHWC business matters.
15

16 **B. HHWC Dispute with Defendants and the Settlement**

17 14. During the course of HHWC's business operations, the company received an
18 offer for the sale of cultivation and production assets.

19 15. HHWC discussed the proposed sale transaction with Defendants and obtained
20 their consent to agree to the terms of the sale.

21 16. HHWC then entered into a Letter of Intent ("LOI") with the purchaser to
22 memorialize the sale terms, the terms of which are confidential and cannot be disclosed herein,
23 with Klaris authorized to enter into the LOI on behalf of HHWC.

24 17. Subsequent to entering into the LOI but prior to the execution of the definitive
25 agreements for the sale of the HHWC assets contemplated by the LOI, a dispute arose between
26 HHWC and the Defendants.
27
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1 18. In order to resolve the dispute and after painstaking negotiations, HHWC and
2 Defendants reached an agreement on all materials terms resolving their dispute, which in part,
3 involved entering into a Shareholder Interest Purchase Agreement for HHWC to purchase the
4 Lusine shareholder interest, a Settlement and Release Agreement, Lusine's resignation as an
5 officer of HHWC, and the execution of five (5) promissory notes for payment terms to Lusine
6 and a Security Agreement thereto (the "Settlement").
7

8 19. The Settlement was memorialized in final Settlement documents agreed upon by
9 all Parties.
10

11 20. Entering into the Settlement with Defendants was expressly contemplated and
12 agreed upon in order to finalize the sale of certain HHWC assets.
13

14 21. On May 10, 2019, Defendants' attorney sent to HHWC the final Settlement
15 documents incorporating all agreed upon material terms for execution by the Parties.
16

17 22. On May 10, 2019, HHWC, Klaris and her husband executed the Settlement
18 documents by DocuSign and circulated the executed Settlement documents to Defendants for
19 execution.
20

21 23. On May 15, 2019, Defendants communicated they will not be signing the
22 Settlement documents despite all material terms having been agreed upon by the parties after
23 extensive negotiations, re-drafts and final dissemination by Defendants' counsel of the
24 Settlement documents.
25

26 24. Instead of agreeing to execute the agreed upon Settlement documents,
27 Defendants improperly and without justification demanded Plaintiff remit an immediate
28 payment of \$750,000.00 in order to obtain executed copies of the Settlement documents from
Defendant Lusine.

29 25. Defendants improperly and unlawfully breached the Settlement and refuse to
30

execute the appropriate Settlement documents, which would include a State of Nevada Transfer of Ownership form necessary to process the Shareholder Interest Purchase Agreement transferring Lusine's shareholder interest to HHWC.

26. As a result of Defendants' breach of the Settlement, the transaction for the sale of certain HHWC assets is jeopardized due to the inability of HHWC to complete the transaction without the completion of the Settlement with Defendants.

27. Defendants' breach is causing imminent harm to the sale transaction and to the viability of the operations of HHWC.

III. CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF
Breach of Contract/Settlement

(All Defendants)

28. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 26 above as though fully set forth herein.

29. Defendants entered into the Settlement with HHWC after agreeing to all material terms and conditions for the Settlement.

30. Defendants' counsel acknowledged on May 15, 2019, the parties agreed to all material terms of the Settlement despite Defendants refusal to execute the Settlement documents provided in final form by Defendants and executed by Plaintiff.

31. Defendants refusal to execute the necessary Settlement documents and instead demanding \$750,000.00 as a condition precedent to executing the Settlement documents is a material breach of the Settlement

32. Defendants demand for the \$750,000 was not a provision agreed upon by the Parties when they reached agreement on all material terms and final drafts of the Settlement for execution

33. Plaintiff performed all conditions precedent pursuant to the Settlement and executed the applicable Settlement documents.

34. Defendants breached the Settlement without cause for failure to execute the applicable Settlement documents, including but not limited to the Transfer of Ownership forms required by the State of Nevada to transfer Lusine's shareholder interest to HHWC.

35. Defendant's breach of the Settlement was complete because Defendants refuse to honor the obligations and terms of the Settlement.

36. As a result of the breach of Settlement by Defendants, Plaintiff has suffered damages in an amount in excess of \$10,000.00.

37. As a result of the actions by Defendants, Plaintiff has suffered and will continue to suffer damages unless and until Defendants are ordered to specifically perform and execute the Settlement documents.

38. As a result of the actions by Defendants, Plaintiff has incurred attorney fees and costs and is entitled to reimbursement pursuant to the Settlement documents and NRS 18 *et seq.*

SECOND CLAIM FOR RELIEF
**Breach of Implied Covenant of
Good Faith and Fair Dealing**

(All Defendants)

39. Plaintiff realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 37 above as though fully set forth herein.

40. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

41. Defendants are party to the Settlement and the obligations to perform the conditions of the Settlement, including but not limited to, executing the Settlement documents, selling Defendants' shares in HHWC, and executing the applicable State of Nevada Transfer of Ownership forms.

42. Defendants owe a duty of good faith and fair dealing with Plaintiff

1 43. Defendants breached the implied covenant of good faith and fair dealing by
2 breaching the Settlement and wrongfully and improperly demanding payment of \$750,000 in
3 order to execute the Settlement documents after Plaintiff had already executed the Settlement
4 documents.

5 44. Plaintiff had a justifiable and reasonable expectation to receive benefits from the
6 Settlement agreement with Defendants.

8 45. Defendants performed under the Settlement in such a manner that was unfaithful
9 to the purposes of it, thus, Plaintiff's justified expectations under the Settlement were denied.

10 46. Defendant's actions and breach were deliberate because of Defendants' demand
11 for payment of \$750,000 to execute the Settlement documents despite reaching agreement on all
12 material terms and the final agreements being disseminated by Defendants' counsel and signed
13 by Plaintiff.

15 47. As a result of the actions by Defendants, Plaintiff has been damaged in an
16 amount in excess of \$10,000.00.

17 48. As a result of the actions by Defendants, Plaintiff has suffered and will continue
18 to suffer damages unless Defendants specifically perform and execute the Settlement
19 documents.

20 49. As a result of the actions by Defendant, Plaintiff has incurred attorney fees and
21 costs and is entitled to reimbursement pursuant to the Settlement documents and NRS 18 *et seq.*

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WHEREFORE, Plaintiff prays for judgment and relief in its favor and against Defendants Lusine Danayan and Jack Danayan, as follows:

1. For judgment in favor of Plaintiff and against Defendants in an amount to be determined at trial, in excess of \$10,000, for Plaintiff's claims for relief;
 2. For judgment in favor of Plaintiff and against Defendants ordering the specific performance of Defendants to oblige to the terms of the Settlement and ordering the execution of the applicable Settlement documents;
 3. For judgment in favor of Plaintiff restraining Defendants from continued refusal to execute the Settlement documents;
 4. For an award of exemplary damages in favor of Plaintiff and against Defendants;
 5. For an award of punitive damages in an amount to be proven at trial;
 6. For prejudgment and post-judgment interest at the statutory or contract rate on the damages awarded to Plaintiff;
 7. For Plaintiff's attorney's fees and costs incurred herein; and,
 8. For any such other and further relief as the Court deems just and proper.

DATED: May 15, 2019.

/s/ Jared B. Kahn
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